

1980

PARKLANDS AND RENEWABLE RESOURCES INVESTMENT PROGRAM

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Official Title and Summary Prepared by the Attorney General

FOR THE PARKLANDS AND RENEWABLE RESOURCES INVESTMENT PROGRAM.

This act provides for a bond issue of four hundred ninety-five million dollars (\$495,000,000) to be used in a coordinated effort to deal with the interrelated problems of meeting the recreational and open-space requirements of the people of California, conserving and extending the state's water supply, expanding sport and commercial fishing opportunities, and restoring and protecting the agricultural productivity of the state's soil resources pursuant to the Parklands and Renewable Resources Investment Program.

AGAINST THE PARKLANDS AND RENEWABLE RESOURCES INVESTMENT PROGRAM.

This act provides for a bond issue of four hundred ninety-five million dollars (\$495,000,000) to be used in a coordinated effort to deal with the interrelated problems of meeting the recreational and open-space requirements of the people of California, conserving and extending the state's water supply, expanding sport and commercial fishing opportunities, and restoring and protecting the agricultural productivity of the state's soil resources pursuant to the Parklands and Renewable Resources Investment Program.

FINAL VOTE CAST BY LEGISLATURE ON SB 547 (PROPOSITION 1)

Assembly—Ayes, 58
Noes, 15

Senate—Ayes, 32
Noes, 6

Analysis by Legislative Analyst**Background:**

In past years, the state has financed most of the acquisition and development of state and local parks, historical properties, recreational facilities and wildlife preserves through the sale of general obligation bonds. The 1964, 1970, 1974 and 1976 Park Bond Acts provided a total of \$734 million, of which approximately \$468 million was for state park acquisition, development and restoration projects. By July 1981, it is anticipated that all of these funds will have been spent or encumbered.

The state has also financed state and local parks, wildlife conservation projects, fish hatcheries, wildlife restoration work and grants for local parks on a "pay as you go" basis, using state tax and other revenues.

Proposal:

This proposition would authorize the sale of \$495 million in state general obligation bonds to finance (1) the acquisition, development, and restoration of state and local parklands, coastal lands and historical resources, (2) wildlife conservation projects, expansion of fish hatchery facilities and habitat restoration, and (3) wastewater reclamation and water conservation measures.

The proceeds of this bond issue would be deposited in the Parklands and Renewable Resources Investment Fund or the State Coastal Conservancy (fund). These proceeds would be available for appropriation by the Legislature for projects meeting the following purposes:

Parklands and Recreation

- (a) Grants to counties, cities and districts for acquisition, devel-

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| opment, rehabilitation or restoration of real property for parks, beaches, recreational and historical resources..... | \$95,000,0 |
| (b) State acquisition, development, rehabilitation or restoration of real property for the state park system | 75,000,000 |
| (c) Acquisition of coastal resources, including San Francisco Bay, by the state purchase of real property and grants to counties, cities and districts to finance implementation of local coastal programs | 95,000,000 |
| (d) State acquisition and development and local grants for public access to recreational boating waterways | 3,000,000 |
| (e) Acquisition of public lakeshore access and recreational property at Lake Tahoe | 25,000,000 |
| (f) Coastal agricultural protection, area restoration and resource enhancement to be expended by the State Coastal Conservancy .. | 10,000,000 |
| (g) State grants to local agencies primarily for urban parks | 35,000,000 |
| Parklands and Recreation total | \$338,000,000 |
| Fisheries and Wildlife | |
| (a) Expansion of the Nimbus Hatchery (Sacramento County) | \$7,000,000 |
| (b) Construction of new salmon | |

| | |
|--|---------------------|
| hatchery on the Shasta River (Siskiyou County) and for rearing facilities at the Tehama-Colusa Spawning Channel (Tehama County) | 7,000,000 |
| (c) Salmon and steelhead spawning habitat restoration projects | 11,000,000 |
| (d) State acquisition or development of real property for wildlife management by the Wildlife Conservation Board | 10,000,000 |
| (e) Restoration, enhancement and preservation projects for wildlife habitat on federal lands | 8,000,000 |
| (f) State acquisition, restoration and preservation of habitat for rare and endangered species | 2,000,000 |
| Fisheries and Wildlife total | \$45,000,000 |
| Water Conservation | |
| (a) Grants and loans by the Water Resources Control Board to public agencies for wastewater reclamation facilities | \$77,000,000 |
| (b) State loan guarantees and interest payments by the Department of Water Resources for improvements in agricultural water conservation | 25,000,000 |
| (c) State loans to public agencies by | |

| | |
|---|----------------------|
| the Department of Water Resources for construction of agricultural wastewater disposal facilities | \$10,000,000 |
| Water Conservation total | \$112,000,000 |

The bond act contains provisions to limit or guide the state agencies in the expenditure of their portions of the bond proceeds. These provisions are too extensive to be summarized.

Fiscal Effect:

Assuming an interest rate of 7 percent and a 20-year repayment period, the interest on \$495 million of general obligation bonds would be approximately \$364 million. The principal and interest cost therefore would total \$859 million. This cost would be paid by the General Fund.

State and local agencies would receive minor operating revenues from the facilities acquired or constructed with the bond funds. These operating revenues would be more than offset by the continuing operating and maintenance costs which would result from the acquisition or development of park or recreation facilities. Finally, some of the bond proceeds would be repaid to the state because the money would be used for loans. State and local bond interest costs could be increased by an unknown, but probably moderate, amount if the sale of these new bonds results in higher interest rates for state and local bonds.

Text of Proposed Law

This law proposed by Senate Bill 547 (Statutes of 1980, Ch. 9) is submitted to the people in accordance with the provisions of Article XVI of the constitution.

This proposed law adds sections to the Public Resources Code; therefore, new provisions proposed to be added are printed in *italic type* to indicate that they are new.

PROPOSED LAW

SECTION 1. Division 24 (commencing with Section 34000) is added to the Public Resources Code, to read:

DIVISION 24. PARKLANDS AND RENEWABLE RESOURCES INVESTMENT PROGRAM

CHAPTER 1. GENERAL PROVISIONS

34000. *The Legislature finds and declares as follows:*

(a) *The state's economic prosperity and survival and the public's health and welfare are heavily dependent on four biological systems: croplands, grasslands, forests, and fisheries, which together provide all of our food, many of our opportunities for recreation, and, with the exception of minerals and petrochemicals, all of the raw materials for industry. Various and numerous threats to the health and productivity of these natural systems require the state to implement an aggressive and coordinated program for enhancing these renewable resources.*

(b) *The funds made available by this division will be invested in a coordinated effort to deal with the interrelated problems of meeting the recreational and open space requirements of the people of California, conserving and extending the state's water supply, expanding sport and commercial fishing opportunities, and restoring, enhancing, and preserving wildlife habitat, and will insure that these natural systems are managed for the profit and benefit of future generations. The funds will also be invested in projects and activities which will preserve significant natural and cultural resources for the enjoyment and benefit of present and future generations and will make accessible to the public many natural systems for their study, enjoyment, and appreciation.*

(c) *The enactment of this division is, in itself, acknowledgement of the interrelatedness of natural systems and the human society that depends upon and benefits from them. As such, this division has as its*

objective the enhancement, through the investment of public funds, of various renewable resources that will demonstrably benefit the people of this state.

34001. *The Renewable Resources Investment Program established and financed pursuant to Chapter 1104 of the Statutes of 1979 is hereby continued in existence as the Parklands and Renewable Resources Investment Program, involving the coordinated activities of the Resources Agency; the Departments of Boating and Waterways, Fish and Game, Forestry, Parks and Recreation, and Water Resources; the California Coastal Commission; the State Coastal Conservancy; the State Water Resources Control Board; the California Conservation Corps; the San Francisco Bay Conservation and Development Commission; and various local public agencies; and consisting of the following elements:*

(a) *The acquisition, development, rehabilitation, and restoration of state and local parklands, recreational facilities, historical resources, and coastal resources pursuant to Chapter 3 (commencing with Section 34030).*

(b) *The construction and expansion of salmon hatcheries, the restoration of salmon and steelhead spawning, nursery, and rearing habitat, and the acquisition, restoration, and preservation of wildlife habitat, including the habitat of rare or endangered species, pursuant to Chapter 4 (commencing with Section 34090).*

(c) *Grants and loans to private entities for reforestation, urban forestry, and wood energy production projects, to be administered and financed pursuant to Part 2.5 (commencing with Section 4790) of Division 4.*

(d) *State financial assistance for water conservation and drainage measures pursuant to Chapter 5 (commencing with Section 34125).*

34002. *This division shall be known and may be cited as the Parklands and Renewable Resources Investment Program Act.*

CHAPTER 2. FISCAL PROVISIONS

34010. *Bonds in the total amount of four hundred ninety-five million dollars (\$495,000,000), or so much thereof as is necessary, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this division and to be used to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds shall, when sold, be and constitute a valid and binding obligation of the State of California,*

Continued on page 42

Argument in Favor of Proposition 1

Why are water, parks, fisheries, wildlife, and other natural resources important to you? They bring you food, health, jobs, pleasure, and more. They are the basis of the quality that is California today.

Your YES vote on Proposition 1 will restore and preserve these qualities for tomorrow and future years.

Investments you authorize by voting YES on Proposition 1 will repay immediate benefits in improved parks and recreation facilities for your community and state, more productive fish and wildlife resources, and water conservation and reclamation projects that will protect and improve the state's limited water supply.

California's economy, the strongest of any state's, is based largely on its natural resources. Investing in these resources will help assure the continued strength of the state's economy by sustaining the productivity of resources that currently are being used up and not replaced, by creating new employment and protecting existing jobs, and by attracting new business.

Previous measures approved by voters in past elections have not kept pace with the effects of inflation and population growth. Parks are often overcrowded, and improvements to recreation facilities have been deferred repeatedly. Our water supply has been strained by increasing demand and emergencies such as the 1976-1977 drought. Salmon and steelhead populations are down 60 percent, and other forms of wildlife are suffering from loss of habitat areas.

Your YES vote for Proposition 1 will make possible:

- Expanded community and neighborhood recreation facilities under grants to your local government;
- More campsites and renovation of run-down facilities at state parks;
- The acquisition of new state parks near population centers and in scenic coastal areas;
- Preservation of California's natural and historical heritage, including a special program for protecting Lake Tahoe;

- Safe access to recreational boating waterways;
- Grants to local government for local coastal programs;
- Better fishing for sport and commercial fishermen through building new hatcheries and improving spawning areas for salmon and steelhead;
- Improvements in wildlife habitat areas, including a special program for rare or endangered species;
- Local projects to reclaim and reuse municipal wastewater for industry and irrigation;
- A loan program for irrigation improvements that will conserve agricultural water; and
- Loans to local public agencies for restoring the productivity of agricultural lands that have been damaged by poor drainage.

At a time when taxpayers are concerned about public spending, Proposition 1 lets you decide by the ballot where and how your public funds will be invested. The investment program you authorize by voting for Proposition 1 will occur in *renewable* resources; that is, the kinds of resources—unlike oil—that can *renew* and replace themselves. This is not a one-time expenditure for a one-time benefit. Parks are forever, and water, fish, and wildlife are renewable resources that can continue to return benefits to Californians indefinitely.

Your vote for Proposition 1 will enable wise public investment in the renewal of important natural resources to benefit all Californians and assure a stronger economy for California.

JOHN A. NEJEDLY
Republican State Senator, 7th District
Chairman, Senate Committee on
Natural Resources and Wildlife

EDMUND G. BROWN JR.
Governor

TOM BRADLEY
Mayor, City of Los Angeles

Rebuttal to Argument in Favor of Proposition 1

You should know that only 2 out of 15 programs slated for funding under Proposition 1 contain restrictions against using allocated moneys for paying salaries or creating more state bureaucracy at taxpayers' expense. It's quite clear this is the "job creation" aspect that proponents refer to in their argument in favor of this measure.

YOUR "NO" VOTE ON PROPOSITION 1 will force the administration to look at the real problems of: (1) utilizing thousands of acres of already-owned but undeveloped state parklands; (2) making necessary park improvements; and (3) solving crime, vandalism and other critical problems plaguing the California parks systems.

YOUR "NO" VOTE ON PROPOSITION 1 will stop \$77 million in grant moneys from being allocated to the State Water Resources Control Board (the same folks who oppose the filling of existing reservoirs like New Melones) for a new giveaway program which could ultimately cost state taxpayers \$500 million. Furthermore, the proposed grant program

would subsidize reclamation of sewage water which state health officials will not allow to be used in domestic water supplies. *Proposition 1 will not increase state water supplies.*

YOUR "NO" VOTE ON PROPOSITION 1 will strongly reaffirm the determination of voters to bring common sense and responsibility back to government by allowing each program proposed under this measure to be considered on its own individual merits instead of allowing them to be shuffled through with the rest of this "monetary smorgasbord."

VOTE "NO" ON PROPOSITION 1!

JOHN SCHMITZ
State Senator, 36th District

NORMAN WATERS
Member of the Assembly, 7th District

JOHN E. THURMAN
Member of the Assembly, 27th District

Argument Against Proposition 1

Proposition 1 is a \$495 million "pork barrel" bond issue that will actually cost taxpayers between \$800 and \$900 million when bond interest payments are included. This is not a revenue bond issue. The principal and interest will not be repaid from user fees. This irresponsible hodgepodge of spending proposals includes new state subsidy programs which would not be approved on their own merits.

Proposition 1:

- Is a blatant effort to fund and exempt 15 nonrelated programs from the "Spirit of 13" spending lid overwhelmingly approved by the voters last year.
- Will permit state departments and boards to use part of the bond proceeds for salaries.
- Will authorize, as part of this bond issue, \$25 million to purchase "downzoned" land at Lake Tahoe. This is only a "Band-Aid" approach to solving the problem created by regional government.
- Proposes new ways to spend taxpayers' money by underwriting private farm loans for irrigation and for drainage, despite the fact that major farm organizations opposed these subsidy provisions.

Proposition 9, also on this state election ballot, would cut state revenues received from personal income taxes. If approved, it will require fiscal restraints by the state and reductions in the record \$24 billion budget for 1980-81 submitted by the Governor. Proposition 1 proposes to add nearly one billion dollars to the state debt obligations. Voters should be given a chance to decide whether or not they want further tax cuts, as proposed by Proposition 9, before we plunge ahead with unding the new projects contained in Proposition 1.

Proposition 1 authorizes massive acquisitions of private property by government agencies and ignores the fact that almost one-half of California is already in government ownership. The state has already acquired over 1 million acres for state parks. Hundreds of thousands of acres of this land are not developed and are not now available to the general public. This land is of little or no value to the public unless picnic areas, campsites, toilets and parking lots are developed and maintained. Proposition 1 makes no provision for added operation and maintenance costs at either state or local parks.

The last state park bond measure was nearly rejected by the voters in 1976. It was a specific proposal, not a mishmash of activities and irrelevant subsidy programs that are being piggybacked in Proposition 1. Any measure proposing to circumvent the constitutional spending limitation set by the voters last year should give the electors a clear choice to selectively approve or disapprove each new spending program. This "pork barrel" is an insult to the intelligence of the electorate. It is a prime example of how the voters are seduced into approving projects without full disclosure of either their true need or their true cost. Do not reward bureaucratic ineptitude and sleight of hand. Vote *NO* on Proposition 1.

JOHN SCHMITZ

State Senator, 36th District

NORMAN WATERS

Member of the Assembly, 7th District

JOHN E. THURMAN

Member of the Assembly, 27th District

Rebuttal to Argument Against Proposition 1

The opponents' arguments are not responsive to Proposition 1.

This measure does not attempt to evade the "Spirit of 13." That initiative's clear message was, "Let the people choose." Proposition 1 gives the people the choice of approving more parks and better management of their resources. The proposal is spelled out in complete detail in this ballot for you to read.

Proposition 1 does not threaten state finances. If fiscal conditions do not permit, the Proposition 1 bonds need not be sold. However, even in difficult times, it is clearly a sound investment to acquire today recreational lands and facilities which are urgently needed by the public, but which are rapidly increasing in cost, and to pay for them at bond interest rates (7 percent or less) that are about half the rate of inflation.

The opponents' assertion that nearly half of California is publicly owned ignores the fact that most public forests and deserts are far from the people who seek recreational opportunities. Proposition 1 requires that new recreation areas be

provided near population centers to relieve the worst overcrowding at existing parks and to reduce travel-related energy costs.

Contrary to the opponents' claims, Proposition 1 puts strict limits on administrative costs and salaries. They are also wrong about water conservation: a loan program will stretch dollars. When repaid, the money can be reinvested in additional projects that will further extend our water supply.

The choice is clear and it's yours. Invest in your future: vote *YES* on 1.

JOHN A. NEJEDLY,

*Republican State Senator, 7th District
Chairman, Senate Committee on
Natural Resources and Wildlife*

EDMUND G. BROWN JR.
Governor

TOM BRADLEY
Mayor, City of Los Angeles

Text of Proposed Law—Proposition 1—Continued from page 3

and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal and interest on the bonds as the principal and interest become due and payable.

34011. There shall be collected each year and in the same manner and at the same time as other state revenue is collected such a sum in addition to the ordinary revenues of the state as shall be required to pay the principal and interest on the bonds maturing each year, and it is hereby made the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act which shall be necessary to collect that additional sum.

34012. There is hereby appropriated from the General Fund in the State Treasury for the purpose of this division, such an amount as will equal the following:

(a) Such sum annually as will be necessary to pay the principal and interest on bonds issued and sold pursuant to the provisions of this division, as principal and interest become due and payable.

(b) Such sum as is necessary to carry out the provisions of Section 34013, which sum is appropriated without regard to fiscal years.

34013. For the purposes of carrying out the provisions of this chapter, the Director of Finance may by executive order authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds which have been authorized to be sold for the purpose of carrying out this division. Any moneys deposited in the fund for expenditure for the purposes of subdivision (f) of Section 34030 shall be transferred to the State Coastal Conservancy upon appropriation by the Legislature in the manner provided in Section 34015. Any moneys deposited in the fund for expenditure for the purposes of subdivision (g) of Section 34030 shall be appropriated to the Department of Parks and Recreation in the manner provided in Section 34015. Any amounts withdrawn shall be deposited in the Renewable Resources Investment Fund, which is hereby renamed and continued in existence as the Parklands and Renewable Resources Investment Fund. Any moneys made available under this section shall be returned to the General Fund from moneys received from the sale of bonds for the purpose of carrying out the provisions of this division.

34014. (a) The proceeds of bonds issued and sold pursuant to this division shall be deposited in the fund. The money in such depository may be expended only for the purposes specified in this division and only pursuant to appropriation by the Legislature in the manner prescribed in this division.

(b) Any other funds that are made available for the program, or for purposes related to the program, by separate appropriation or from other sources may also be deposited in the fund. Such other funds shall be segregated and separately accounted from the proceeds of bonds deposited pursuant to subdivision (a), but such other funds may be appropriated in conjunction with the appropriation required by Section 34015.

34015. All proposed appropriations for the program specified in Section 34001 shall be included in a section in the Budget Bill for the 1980-81 and each succeeding fiscal year for consideration by the Legislature and shall bear the caption "Parklands and Renewable Resources Investment Program." The section shall contain separate items for each project, each class of projects, or each element of the program for which an appropriation is made.

All appropriations shall be subject to all limitations enacted in the Budget Act and to all fiscal procedures prescribed by law with respect to the expenditure of state funds unless expressly exempted from such laws by a statute enacted by the Legislature. Such section shall contain proposed appropriations only for the program elements and classes of projects contemplated by this division, and no funds derived from the bonds authorized by this division may be expended pursuant to an appropriation not contained in such section of the Budget Act.

34016. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3, Division 4, Title 2 of the Government Code), and all of the provisions of that law are applicable to the bonds and to this division and are hereby incorporated in this division as though set forth in full herein.

34017. For the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this division, the Parklands and Renewable Resources Investment Program Finance Committee is hereby created. The committee consists of the Governor, the State Controller, the Director of Finance, the State Treasurer, and the Secretary of the Resources Agency. For the purposes of this division, the Parklands and Renewable Resources Investment Program Finance Committee shall be "the committee" as that term is used in the State General Obligation Bond Law, and the State Treasurer shall serve as chairman of the committee. The Secretary of the Resources Agency is hereby desig-

nated as "the board" for the purposes of this division and for the purposes of the State General Obligation Bond Law.

34018. All money deposited in the fund which is derived from premium and accrued interest on bonds sold shall be reserved in such depositories and shall be available for transfer to the General Fund as a credit to expenditures for bond interest.

34019. As used in this division, and for the purposes of the State General Obligation Bond Law, the following words shall have the following meanings:

(a) "State grant" or "state grant moneys" means moneys received by the state from the sale of bonds authorized by this division which are available for grants to counties, cities, districts, and public agencies.

(b) "Coastal resources" means those land and water areas within the coastal zone or fronting on San Francisco Bay which are suitable for public park, beach, or recreational purposes, including, but not limited to, areas of historical significance and areas of open space that complement park, beach, or recreational areas, or which are suitable for the preservation of coastal resource values.

(c) As used in Chapter 3 (commencing with Section 34030), "district" means any district authorized to provide park, recreation, or open space services, or a combination of such services, except a school district.

(d) "Fund" means the Parklands and Renewable Resources Investment Fund.

(e) "Historical resource" includes, but is not limited to, any building, structure, site, area, or place which is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California.

(f) "Historical resources preservation project" is a project designed to preserve an historical resource which is either listed in the National Register of Historic Places or is registered as either a state historical landmark or point of historical interest pursuant to Section 5021.

(g) "Investment" means the commitment or use of money and other resources of the state for the making of capital improvements and incurring costs related thereto with the expectation of profit or nonpecuniary benefit occurring to the people of the state.

(h) "Program" means the Parklands and Renewable Resources Investment Program established by this division.

34020. Commencing with the Budget Bill for the 1990-91 fiscal year, the balance remaining in the fund may be appropriated by the Legislature for expenditure, without regard to the maximum amounts allocated to each element of the program, for any or all elements of the program specified in subdivisions (a) to (e), inclusive, of Section 34001, or any class or classes of projects within such elements, that the Legislature deems to be of the highest priority.

34021. (a) Payments required to be made as a consequence of any guaranty made in accordance with the provisions of this division shall be made by the State Treasurer from funds appropriated and deposited in the loan default contingency accounts established by this division.

(b) In the event of any default on any such guaranteed loan and upon payment in accordance with the guaranty by the state, the Attorney General shall take such action as may be appropriate to recover the amount of such payment, with interest, from the defaulting party or other persons liable therefor.

34022. Inasmuch as the proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

34023. If any provision of this division or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the division which can be given effect without the invalid provision or application, and to this end, the provisions of this division are severable.

CHAPTER 3. PARKLANDS AND RECREATION ELEMENT

Article 1. General Provisions

34030. Three hundred thirty-eight million dollars (\$338,000,000) of the money deposited in the fund shall be available for appropriation in the manner set forth in Section 34015 for the purposes set forth below in amounts not to exceed the following:

(a) For grants to counties, cities, and districts for the acquisition, development, rehabilitation, or restoration of real property for park, beach, recreational, and historical resources preservation purposes, including state administrative costs.... \$95,000,000

- (b) For acquisition, development, rehabilitation, or restoration of real property for the state park system in accordance with the following schedule..... \$75,000,000
- Schedule:
- (1) Forty million dollars (\$40,000,000) for acquisition and costs of planning.
 - (2) Twenty-five million dollars (\$25,000,000) for development and rehabilitation of structures and facilities in newly acquired and existing units of the state park system and for costs of planning and interpretation.
 - (3) Ten million dollars (\$10,000,000) for acquisition, development, and restoration of historical resources and for historical resources preservation projects and costs of planning and interpretation.
- (c) For expenditure for coastal resources in accordance with the following schedule..... \$95,000,000
- Schedule:
- (1) Sixty-five million dollars (\$65,000,000) for acquisition of real property for the state park system and costs of planning.
 - (2) Thirty million dollars (\$30,000,000) for grants to counties, cities, and districts for the acquisition, development, rehabilitation, or restoration of real property, or the acquisition of any interest in real property, necessary for the implementation of certified local coastal programs, and for state administrative costs in connection therewith.
- (d) For acquisition and development by the Department of Boating and Waterways of, and for grants to cities, counties, and other public agencies for acquisition and development of, public access to recreational boating waterways, including costs of planning and interpretation..... \$3,000,000
- (e) For land acquisitions in the Lake Tahoe region..... \$25,000,000
- (f) For expenditure by the State Coastal Conservancy for purposes set forth in Division 21 (commencing with Section 31000), and for state administrative and planning costs in connection therewith..... \$10,000,000
- (g) For expenditure by the Department of Parks and Recreation for the purposes of the Roberti-Zberg Urban Open-Space and Recreation Program Act (commencing with Section 5620 of the Public Resources Code)..... \$35,000,000
- provided, however, that notwithstanding the provisions of Section 5627, funds made available pursuant to this category may be expended only for capital outlay purposes.

Article 2. Local Assistance Grants

34035. (a) Funds available for appropriation for local assistance grants pursuant to subdivision (a) of Section 34030 may be expended for the acquisition of parks, beaches, open-space lands, recreational trails and areas, and historical resources, and for development rights and scenic easements in connection with such lands and resources.

(b) Funds granted pursuant to subdivision (a) of Section 34030 may be expended for development, rehabilitation, or restoration only on lands owned by, or subject to a lease or other interest held by, the applicant city, county, or district. If such lands are not owned by the applicant, the applicant shall first demonstrate to the satisfaction of the Director of Parks and Recreation that the development, rehabilitation, or restoration will provide benefits commensurate with the type and duration of interest in land held by the applicant.

34036. (a) All of the funds authorized in subdivision (a) of Section 34030 for local assistance grants shall be allocated among the counties on the basis of their populations as most recently projected by the Department of Finance for 1980.

(b) Each total county allocation of such funds shall be in the same ratio as the county's population is to the state's total population; provided, however, that each county shall be entitled to a minimum allocation of two hundred thousand dollars (\$200,000).

(c) Each county shall consult with all cities and districts within the county and shall develop and submit a priority plan for expenditure of the total county allocation to the state for approval. The priority plan shall consist of an apportionment of the total county allocation to the county, cities, and districts. The priority plan may include the names of individual projects under each governmental jurisdiction and shall reflect consideration of deficiencies within the county in the preservation of historical resources and natural landscapes as well as

in the provision of recreational areas and facilities. The priority plan shall be approved by at least 50 percent of the cities and districts representing 50 percent of the population of the cities and districts within the county, and by the county board of supervisors. Recognizing the fact that the boundaries of some cities and local districts overlap, only the jurisdictions that will actually provide the facilities contemplated in the priority plan may participate in the approval process. In any county in which a regional park or open-space district is wholly or partially located, the priority plan shall reflect regional park or open-space needs as well as community and neighborhood park and recreation needs.

(d) The priority plan shall be submitted prior to January 1, 1981, to the Director of Parks and Recreation for approval. Failure to submit a priority plan by January 1, 1981, shall result in a 10 percent annual reduction of the total county allocation until the priority plan is submitted. By January 1, 1983, if the priority plan has not been submitted to the Director of Parks and Recreation, the county board of supervisors shall petition the Director of Parks and Recreation to distribute to high-priority projects the remaining 80 percent of the total county allocation. Any funds not allocated to a county shall remain in the fund and shall be expended in the manner provided in Section 34020.

(e) Applications for individual projects may be submitted directly to the Director of Parks and Recreation by individual jurisdictions.

34037. (a) An application for a local assistance grant pursuant to this article shall be submitted to the Director of Parks and Recreation for review. The application shall be accompanied by certification from the planning agency of the applicant that the project is consistent with the park and recreation plan for the applicant's jurisdiction.

(b) The minimum amount that may be applied for any individual project is ten thousand dollars (\$10,000).

(c) Every application for a grant shall comply with the provisions of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).

(d) Upon completion of the review of applications submitted pursuant to subdivision (a), approved projects shall be forwarded to the Director of Finance for inclusion in the Budget Bill.

34038. (a) No state grant funds may be disbursed until the applicant agrees that any property acquired or developed with such funds shall be used by the applicant only for the purpose for which the funds were requested and that no other use of the property shall be permitted except by specific act of the Legislature.

(b) No state grant funds may be disbursed unless the applicant agrees to maintain and operate the property acquired or developed pursuant to this article for a period commensurate with the type of project and the proportion of state grant funds and local funds allocated to the capital costs of the project.

Article 3. State Park System

34045. The Legislature recognizes that public financial resources are inadequate to meet all capital outlay needs of the state park system and that the development of recently acquired units of the state park system has proceeded at a rate that has prevented their full potential for public use from being realized. Accordingly, it is declared to be the policy of the state that funds allocated pursuant to subdivision (b) of Section 34030 shall be appropriated primarily for projects that accomplish the following:

(a) Serve metropolitan population centers and accommodate day-use and weekend-overnight visits.

(b) Provide for the development of existing units with the minimum facilities necessary for accessibility, use, and interpretation.

(c) Rehabilitate facilities at existing units that will provide for more efficient management and reduced operational costs.

(d) Minimize dependence on motor vehicles and reduce other forms of energy and water consumption through appropriately designed facilities.

(e) Preserve examples of historical resources and natural landscapes that are underrepresented in the state park system.

34046. (a) Any Member of the Legislature, the State Park and Recreation Commission, the Boating and Waterways Commission, the California Coastal Commission, or the Secretary of the Resources Agency may nominate any project to be funded under this article for study by the Department of Parks and Recreation. Any of the commissions shall make nominations by vote of its membership.

(b) The Department of Parks and Recreation shall study any project so nominated. In addition to the procedures required by Section 5006, the Department of Parks and Recreation shall submit to the Legislature by November 1 of each year a report consisting of a prioritized listing and comparative evaluation of all projects nominated for study during the preceding 12 months ending August 31, 1980, and during the preceding 12 months ending June 30, 1981, and each year thereafter.

(c) Projects proposed for appropriation for the state park system

pursuant to subdivision (b) of Section 34030 shall be subject to the favorable recommendation of the State Park and Recreation Commission. Projects recommended by the commission shall be forwarded to the Director of Finance for inclusion in the Budget Bill.

34047. Acquisition for the state park system by purchase or by eminent domain shall be under the Property Acquisition Law (commencing with Section 15850 of the Government Code).

Article 4. Coastal Resources

34050. Funds available pursuant to subdivision (c) of Section 34030 shall be expended pursuant to this article.

34051. (a) Any Member of the Legislature, the California Coastal Commission, the State Coastal Conservancy, the San Francisco Bay Conservation and Development Commission, the State Park and Recreation Commission, the Boating and Waterways Commission, or the Secretary of the Resources Agency may nominate, for study by the Department of Parks and Recreation, any project within the coastal zone or fronting on San Francisco Bay for acquisition with funds made available pursuant to category (1) of subdivision (c) of Section 34030. Any of the commissions, and the conservancy, shall make nominations by vote of its membership.

(b) The Department of Parks and Recreation shall study any project so nominated. In addition to the procedures required by Section 5006, the Department of Parks and Recreation shall submit to the Legislature by November 1 of each year a report consisting of a prioritized listing and comparative evaluation of all projects nominated for study during the preceding 12 months ending August 31, 1980, and during the preceding 12 months ending June 30, 1981, and each year thereafter.

(c) In making the prioritized listing and comparative evaluation of potential acquisition sites, the department shall adhere to the following criteria and priorities:

(1) The first priority for the acquisition of coastal resources is as follows:

(A) Land and water areas best suited to serve the recreational needs of urban populations.

(B) Land and water areas of significant environmental importance, such as habitat protection.

(2) The second priority for the acquisition of coastal resources is as follows:

(A) Land for physical and visual access to the coastline where public access opportunities are inadequate or could be impeded by incompatible uses.

(B) Remaining areas of high recreational value.

(C) Areas proposed as a coastal reserve or preserve, including areas that are or include restricted natural communities, including, but not limited to, ecological areas that are scarce, involving only a limited area; rare and endangered wildlife species habitat; rare and endangered plant species range; specialized wildlife habitat; outstanding representative natural communities; sites with outstanding educational value; fragile or environmentally sensitive resources; and wilderness or primitive areas. Areas meeting more than one of these criteria may be considered as especially important.

(D) Highly scenic areas that are or include landscape preservation projects; open areas identified as being of particular value in providing visual contrast to urbanization, in preserving natural landforms and significant vegetation, in providing attractive transitions between natural and urbanized areas, or as scenic open space; and scenic areas or historical districts designated by cities and counties within the coastal zone.

34054. The State Coastal Conservancy and the California Coastal Commission shall prepare and adopt priorities, criteria, and procedures for the disbursement and administration of grants of funds made available pursuant to category (2) of subdivision (c) of Section 34030 for the implementation of local coastal programs. The procedures required by this section shall specify the categories of expenditures eligible for grants and shall include procedures for the submittal, review, and approval of applications and the disbursement of grant funds. The procedures shall include provisions that will serve as an incentive to local governments for timely completion of their local coastal programs, in accordance with the requirements of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000)).

34055. (a) An application for a grant shall be submitted to the State Coastal Conservancy for preliminary evaluation, review of adequacy, and classification as a park, beach, coastal access, or other project necessary to preserve coastal resource values and implement local coastal programs.

(b) The minimum amount that may be applied for any individual project is one thousand dollars (\$1,000).

(c) Every application for a grant shall comply with the provisions of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).

34056. (a) After completing the evaluation, review, and classification of an application, the State Coastal Conservancy shall forward the application to the California Coastal Commission for a determination as to its consistency with the approved land use plan of the applicable local coastal program.

(b) Applications which are determined by the Executive Director of the California Coastal Commission to be consistent with the approved land use plan of the applicable local coastal program shall be returned to the State Coastal Conservancy for the purpose of disbursing grants consistent with priorities and criteria developed pursuant to Section 34054. No grant may be disbursed until the land use plan of a local coastal program has been approved.

34057. Funds granted pursuant to category (2) of subdivision (c) of Section 34030 may be expended for development, rehabilitation, or restoration only on lands owned by, or subject to a lease or other interest held by, the applicant city, county, or district. If such lands are not owned by the applicant, the applicant shall first demonstrate to the satisfaction of the Executive Officer of the State Coastal Conservancy that the development, rehabilitation, or restoration will provide benefits commensurate with the type and duration of interest in land held by the applicant.

34058. No state grant funds may be disbursed until the applicant agrees that any property acquired or developed with such funds shall be used by the applicant only for the purpose for which the funds were requested and that no other use of the property shall be permitted except by specific act of the Legislature.

34059. An amount, not to exceed seven hundred fifty thousand dollars (\$750,000) in the aggregate, shall be available for appropriation during the 1980-81, 1981-82, and 1982-83 fiscal years, in amounts to be determined in each annual appropriation, from funds available pursuant to category (2) of subdivision (c) of Section 34030, in the manner provided in Section 34015, to the State Coastal Conservancy for expenditure for the administration of Sections 34054 to 34058, inclusive; provided, however, that not more than two hundred fifty thousand dollars (\$250,000) may be appropriated in any one such fiscal year.

Article 5. Recreational Boating Waterways

34065. (a) Funds available for appropriation pursuant to subdivision (d) of Section 34030 shall be expended for the acquisition and development of public access to recreational boating waterways in those places subject to the highest incidence of trespass by, or posing the greatest hazards to the safety of, persons using such waterway. Such funds may be expended for the acquisition of the fee or an, other interest in real property. Expenditures for development shall be for minimal improvements necessary to facilitate public access to, and the safe use of, waterways, such as primitive roads and parking areas, campgrounds, water and sanitation facilities, fencing, and informational signs.

(b) No expenditure may be made for a particular project until it is determined to be feasible and the Department of Boating and Waterways has entered into an agreement with the applicant for a grant or the project's operator, as the case may be, providing for the operation and maintenance of the project at no cost to the department.

34066. Acquisition of real property pursuant to this article by the Department of Boating and Waterways shall be by purchase only and pursuant to the Property Acquisition Law (commencing with Section 15850 of the Government Code). Under no circumstances may eminent domain be exercised by the department or the recipient of any grant for the acquisition of any interest in real property pursuant to this article.

34067. (a) Grants of funds available pursuant to subdivision (d) of Section 34030 shall be made only for the purposes, and in accordance with the criteria, specified in Section 34065.

(b) Funds granted pursuant to this section may be expended for development only on lands owned by, or subject to a lease or other interest held by, the applicant city, county, or other public agency. If such lands are not owned by the applicant, the applicant shall first demonstrate to the satisfaction of the Director of Boating and Waterways that the development will provide benefits commensurate with the type and duration of interest in land held by the applicant.

(c) Grants made pursuant to this section shall be administered in the same manner as grants made from the Harbors and Watercraft Revolving Fund pursuant to Article 3 (commencing with Section 70) of Chapter 2 of Division 1 of the Harbors and Navigation Code.

(d) The minimum amount that may be applied for any individual project is one thousand dollars (\$1,000).

(e) Every application for a grant shall comply with the provisions of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).

(f) No state grant funds may be disbursed until the applicant agrees that any property acquired or developed with such funds shall

be used by the applicant only for the purpose for which the funds were requested and that no other use of the property shall be permitted except by specific act of the Legislature.

34068. (a) Expenditure shall be made pursuant to this article for the acquisition and development of lands and facilities that harmonize with and complement established forest, agricultural, and other resource management plans to the maximum extent possible.

(b) No expenditure may be made for acquisition or development that will interfere with any landowner's water rights or right of access to the place of exercise of water rights or that will restrict any landowner's right to conduct agricultural, timber harvesting, or mining activities on private lands adjacent to, or in the vicinity of, lands or facilities acquired or developed pursuant to this article.

34069. No adjoining property owner is liable for any action of any type resulting from, or caused by, any user of lands or facilities acquired or developed pursuant to this article who trespasses on adjoining property. No adjoining property owner is liable for any action of any type initiated on, or occurring within the boundaries of, any such lands or facilities and arising out of the activities of another person.

Article 6. Lake Tahoe Acquisitions

34070. Funds allocated pursuant to subdivision (e) of Section 34030 shall be available for appropriation for expenditure in accordance with Section 34071 by a new or existing federal, state, regional, or local agency, or any combination thereof, to be designated by statute.

As used in this article, "Lake Tahoe region" and "region" means the area consisting of Lake Tahoe, the adjacent parts of the Counties of Douglas, Carson, and Washoe lying within the Tahoe Basin in the State of Nevada, and the adjacent parts of the Counties of Placer and El Dorado lying within the Tahoe Basin in the State of California, and that additional and adjacent part of the County of Placer outside the Tahoe Basin in the State of California which lies southward and eastward of a line starting at the intersection of the basin crestline and the north boundary of Section 1, thence west to the northwest corner of Section 3, thence south to the intersection of the basin crestline and the west boundary of Section 10; all sections referring to Township 15 North, Range 16 East, M.D.B. and M.

34071. Money appropriated for expenditure by this state for acquisition of undeveloped land in the region shall be expended for the following purposes:

(a) For the acquisition of lands whose primary use will be public shore access, preservation of riparian or littoral wildlife habitat, or recreation, or a combination thereof.

(b) For the acquisition of lands threatened with development that will adversely affect the region's natural environment, will adversely affect the use, management, or protection of public lands in the vicinity of the development, or will have a combination of such effects. In particular, preference shall be given to the acquisition of lands within stream environment zones and other lands that, if developed, would be likely to erode or contribute to the further eutrophication or degradation of the waters of the region due to that or other causes.

"Stream environment zone" means that area which surrounds a stream, including major streams, minor streams, and drainage ways; which owes its biological and physical characteristics to the presence of water; which may be inundated by a stream; or in which actions of man or nature may directly or indirectly affect the stream. A stream includes small lakes, ponds, and marshy areas through which the stream flows. Acquisitions made pursuant to this subdivision are not intended to replace, wholly or partially, the exercise of any authority conferred by law for the protection of the region's natural environment, including stream environment zones, or the protection of public lands and resources. Accordingly, every public official or agency responsible for the administration or enforcement of any law having any of those purposes shall continue to administer or enforce such law, notwithstanding the making of any acquisition pursuant to this subdivision.

(c) For the acquisition of lands that do not satisfy the requirements of either subdivision (a) or (b) but which, if acquired, would facilitate one or both of the following:

(1) Consolidation of lands for their more effective management as a unit.

(2) Provision of public access to other public lands.

As used in this section, "undeveloped land" includes land that has been subdivided and improved with streets and utilities, but does not have structures other than those related to such streets and utilities.

Article 7. Miscellaneous Provisions

34080. Projects authorized for the purposes set forth in subdivision (b), category (1) of subdivision (c), and subdivision (d) of Section 34030 shall be subject to augmentation as provided in Section 16352 of the Government Code, as limited by any provision of the Budget Act. The unexpended balance in any appropriation made

payable from the fund which the Director of Finance, with the approval of the State Public Works Board, determines not to be required for expenditure pursuant to the appropriation, may be transferred on order of the Director of Finance to, and in augmentation of, the appropriation made in Section 16352 of the Government Code.

34081. The Director of Parks and Recreation may make agreements with respect to any real property acquired pursuant to subdivision (b) and category (1) of subdivision (c) of Section 34030, the Director of Fish and Game may make agreements with respect to any real property acquired pursuant to Chapter 4 (commencing with Section 34090), the Director of Boating and Waterways may make agreements with respect to any real property acquired pursuant to subdivision (d) of Section 34030, and the Executive Officer of the State Coastal Conservancy may make agreements with respect to any real property acquired pursuant to subdivision (f) of Section 34030 for the continued tenancy of the seller of the property for a period of time and under such conditions as mutually agreed upon by the state and the seller so long as the seller promises to pay such taxes on his interest in the property as shall become due, owing, or unpaid on the interest created by such agreement, and so long as the seller conducts his operations on the land according to specifications issued by the appropriate director or officer to protect the property for the public use for which it was acquired. A copy of such agreement shall be filed with the county clerk in the county in which the property lies. Such arrangement shall be compatible with the operation of the area by the state, as determined by the appropriate director or officer.

34082. All real property acquired pursuant to this chapter shall be acquired in compliance with the provisions of Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code. The Department of Parks and Recreation, the Director of Boating and Waterways, or the State Coastal Conservancy, as the case may be, shall prescribe procedures sufficient to assure such compliance by local public agencies.

34083. For the purposes of this chapter, acquisition may include gifts, purchases, leases, easements, the exercise of eminent domain if expressly authorized, the transfer or exchange of property for other property of like value, and purchases of development rights and other interests.

34084. All grants, gifts, devises, or bequests to the state, conditional or unconditional, for park, conservation, recreation, or other purposes for which real property may be acquired or developed pursuant to this chapter, may be accepted and received on behalf of the state by the appropriate departmental director with the approval of the Director of Finance. Such grants, gifts, devises, or bequests shall be available, when appropriated by the Legislature, for expenditure for the purposes specified in Section 34030.

34085. Real property acquired by the state shall consist predominantly of open or natural lands, including lands under water capable of being utilized for multiple recreational purposes, and lands necessary for the preservation of coastal or historical resources. No funds derived from the bonds authorized by this division shall be expended for the construction of any reservoir designated as a part of the "State Water Facilities," as defined in subdivision (d) of Section 12934 of the Water Code, but such funds may be expended for the acquisition or development of beaches, parks, recreational facilities, and historical resources at or in the vicinity of any such reservoir.

34086. (a) Prior to recommending the acquisition of lands that are located on or near tidelands, submerged lands, swamp or overflowed lands, or other wetlands, whether or not such lands have been granted in trust to a local public agency, the Director of Parks and Recreation, the Director of Fish and Game, the Director of Boating and Waterways, or the Executive Officer of the State Coastal Conservancy, as the case may be, shall submit to the State Lands Commission any proposal by a state or local public agency for the acquisition of such lands pursuant to this chapter. The State Lands Commission shall, within three months of such submittal, review such proposed acquisition, make a determination as to the state's existing or potential interest in the lands, and report its findings to the person making the submittal and to the Department of General Services.

(b) No provision of this chapter shall be construed as authorizing the condemnation of state lands.

(c) This section applies to acquisitions made pursuant to Chapter 4 (commencing with Section 34090).

CHAPTER 4. FISHERIES AND WILDLIFE ELEMENT

34090. Forty-five million dollars (\$45,000,000) of the moneys deposited in the fund shall be available for appropriation to the Department of Fish and Game in the manner set forth in Section 34015 for the purposes set forth below in amounts not to exceed the following:

| | |
|--|-------------|
| (a) For preliminary plans, working drawings, and construction costs for expansion of the Nimbus Hatchery | \$7,000,000 |
|--|-------------|

| | |
|---|--------------|
| (b) For preliminary plans, working drawings, and construction costs for a new hatchery at Big Springs on the Shasta River and for rearing facilities at the Tehama-Colusa Spawning Channel .. | \$7,000,000 |
| (c) For planning and implementation of projects for the restoration of salmon and steelhead spawning, nursery, and rearing habitat on rivers suitable for that purpose | \$11,000,000 |
| (d) For the acquisition or development of real property for wildlife management in accordance with the provisions of the Wildlife Conservation Law of 1947 (Chapter 4 (commencing with Section 1300) of Division 2 of the Fish and Game Code, including costs of planning | \$10,000,000 |
| (e) For projects for the restoration, enhancement, and preservation of wildlife habitat on federal lands | \$8,000,000 |
| (f) For the acquisition, restoration, and preservation of habitat for rare or endangered species | \$2,000,000 |

Upon completion of the expansion of the Nimbus Hatchery, the unexpended balance of funds authorized pursuant to subdivision (a) shall be available for appropriation for habitat restoration pursuant to subdivision (c). Upon completion of both the Shasta River Hatchery and the rearing facilities at the Tehama-Colusa Spawning Channel, the unexpended balance of funds authorized pursuant to subdivision (b) shall be available for appropriation for habitat restoration pursuant to subdivision (c).

34091. Operation and maintenance costs incurred by the Department of Fish and Game as a result of expenditures made for facilities authorized in subdivisions (a) and (b) of Section 34090 shall be paid for from the revenues of commercial and sport fishing licenses, taxes, or other revenues, as provided in Section 711 of the Fish and Game Code.

34093. (a) The Department of Fish and Game shall conduct an investigation into the impact of the Shasta River hatchery and its operation on the genetic diversity and population structure of salmon and steelhead stocks indigenous to the Klamath River drainage. The department shall report to the Legislature the results of its investigation, including proposed operational criteria, at the time legislative authorization for appropriation for preliminary plans, working drawings, and construction costs of the hatchery is considered. In the event that the Legislature does not authorize construction of the hatchery, all funds authorized in subdivision (b) of Section 34090 for the hatchery shall be available for appropriation for the purposes of habitat restoration pursuant to subdivision (c) of Section 34090.

(b) The Joint Legislative Budget Committee shall review the investigation and shall recommend to the Legislature whether or not an independent evaluation of the investigation is necessary.

34095. Projects proposed for appropriation pursuant to subdivision (d) of Section 34090 shall be subject to the favorable recommendation of the Wildlife Conservation Board. Projects recommended by the board shall be forwarded to the Director of Finance for inclusion in the Budget Bill.

34096. Funds available for appropriation pursuant to subdivision (e) of Section 34090 may be expended only for projects that meet all of the following conditions:

(a) The project is located on publicly owned lands administered by the U.S. Forest Service, U.S. Bureau of Land Management, or other federal agency.

(b) The project to be financed has been agreed upon jointly by an appropriate federal land management agency and the Department of Fish and Game pursuant to procedures specified in the Sikes Act (Public Law 93-452), and the federal agency has agreed to finance not less than 50% of the cost of the project.

(c) The project will directly benefit wildlife through the restoration, enhancement, and preservation of habitat lands or areas.

(d) The project lies wholly within the State of California.

34098. The amount annually appropriated from funds available pursuant to subdivision (e) of Section 34090 may not exceed the amount committed by federal land management agencies for the particular fiscal year for which the appropriation is made, and not more than 20% of the funds made available pursuant to subdivision (e) of Section 34090 may be appropriated in any one fiscal year.

34099. Funds appropriated pursuant to subdivision (f) of Section 34090 shall be expended and administered by the Wildlife Conservation Board pursuant to procedures that are in accordance with the Wildlife Conservation Law of 1947 (Chapter 4 (commencing with Section 1300) of Division 2 of the Fish and Game Code).

CHAPTER 5. WATER CONSERVATION ELEMENT

Article 1. General Provisions

34125. One hundred twelve million dollars (\$112,000,000) of the

moneys deposited in the fund shall be available for appropriation in the manner set forth in Section 34015 for the purposes set forth below in amounts not to exceed the following:

To the State Water Resources Control Board:

(a) For grants and loans to public agencies for the construction and improvement of (1) treatment plants and distribution facilities for the reclamation of municipal wastewater and (2) dual municipal water systems that would conserve or extend freshwater supplies

\$77,000,000

To the Department of Water Resources:

(b) For loan guaranties and interest payments for improvements in agricultural water conservation systems and practices

\$25,000,000

(c) For loans to local public agencies for the construction of collector systems for agricultural wastewater and central wastewater disposal facilities

\$10,000,000

Article 2. Municipal Wastewater Reclamation

34130. (a) The State Water Resources Control Board may enter into agreements with public agencies for combined grants and loans from funds available pursuant to subdivision (a) of Section 34125 to aid in the construction and improvement of (1) municipal wastewater reclamation projects which are not funded pursuant to Title II of the federal Clean Water Act and acts amendatory thereof or supplementary thereto and (2) dual municipal water systems that would conserve or extend freshwater supplies.

(b) Such agreements shall provide for a grant equal to 87½ percent of the eligible costs of the project and, at the option of the State Water Resources Control Board, for a loan of the remaining 12½ percent of eligible costs. All loan funds shall be repayable, with interest, within 20 years. Interest shall be at a rate equal to the average, as determined by the State Water Resources Control Board, of the net interest costs to the state on the sales of general obligation bonds pursuant to this division.

(c) The priority of projects to be funded shall be determined by the State Water Resources Control Board. No project may be funded by the State Water Resources Control Board unless it finds the project to be feasible and cost effective for the conservation or reclamation of water.

(d) Any agreement made pursuant to this section may include such other provisions as may be agreed upon by the parties.

(e) An amount, not to exceed one million five hundred thousand dollars (\$1,500,000) in the aggregate, shall be available for appropriation during the 1980-81 to 1985-86, inclusive, fiscal years, in amounts to be determined in each annual appropriation, from funds available pursuant to subdivision (a) of Section 34125, in the manner provided in Section 34015, to the State Water Resources Control Board for expenditure for the administration of this section.

Article 3. Agricultural Water Conservation

34140. (a) The Legislature hereby finds and declares that the public interest requires that the waters of the state be used as efficiently as possible and that economically and financially feasible means of agricultural water conservation be achieved to the maximum extent practicable. The Legislature further finds that agricultural water conservation, in conjunction with the present and future development of surface supplies, will assist in meeting the water requirements of the people of California and will help alleviate groundwater overdraft.

(b) The Legislature further finds and declares that it is the policy of the state to provide financial assistance to agricultural producers to encourage them to implement water conservation measures so that conserved water may be available to help meet the growing water requirements of the state. It is also the intent of the Legislature to collect and evaluate data regarding the water conservation capability of alternative water conveyance, application, and tail water return systems. It is the purpose of this article to provide loan guaranties and loan interest payment agreements in order to assist in agricultural water conservation.

34141. (a) The Department of Water Resources is authorized to guarantee against loss of principal or interest up to 90 percent of any loan made by a federal or state chartered bank, federal land bank, production credit association, bank of cooperatives, savings and loan association, building and loan association, or small business investment company, that is subject to credit examination and supervision by either an agency of the United States or by the State of California, and has met state licensing, loanmaking, and loan-servicing requirements, for the purpose of aiding a private entity engaged in agricultural production in the construction, installation, or establishment of

an agricultural water conservation project. The department may also enter into an agreement to pay the interest due on any such loan for the first two repayment years. No guaranty of a loan or agreement to pay interest under this section may be made for any loan that would cause the liability limit specified in subdivision (b) to be exceeded, or for any loan which permits full repayment in more than 20 years, or for any loan the principal of which exceeds fifty thousand dollars (\$50,000), except that such maximum amount may be adjusted annually to reflect the annual percentage increase in the California Consumer Price Index as compiled and reported by the Department of Industrial Relations.

(b) Four million dollars (\$4,000,000) of the twenty-five million dollars (\$25,000,000) available for loan guaranties and loan interest payments shall be immediately set aside in an interest-bearing loan default contingency account and reserved exclusively for the purpose of indemnifying qualified lenders, under the terms of this section, in cases of default on guaranteed loans. This amount constitutes the total and sole recourse for indemnity, by the State of California, of lenders under the loan guaranty provisions of this article.

34142. As used in this article, "water conservation project" means any facility, system, or land modification to improve the application, conveyance, or recycling of water, which may include, but is not limited to, drip irrigation systems, sprinkler irrigation systems, channel lining, leveling of irrigated fields, and tail water recovery.

34143. The priority of projects to be assisted under this article shall be determined by the Department of Water Resources, but highest priority shall be assigned to projects reducing evapotranspiration to the maximum extent possible without undue reduction of wildlife habitat, reducing nonbeneficial wastewater discharges to saline water bodies, and increasing the use of brackish ground and drainage waters for irrigation. Among the projects assigned high priority pursuant to this section, the department shall further assign priority among individual projects on the basis of those projects that will be undertaken in areas where water conservation will bring about reduction of groundwater overdraft or augmentation of supply for instream water use.

34144. An applicant may qualify for financial assistance under this article if his or her principal source of income is from agricultural production.

34145. The applicant shall agree to proceed expeditiously with, and to complete, the project. Any agreement or guaranty made pursuant to this article may include such other provisions as may be agreed upon by the parties.

34146. An amount, not to exceed seventy-five thousand dollars (\$75,000), may be appropriated annually, from funds available pursuant to subdivision (b) of Section 34125, in the manner provided in Section 34015, to the Department of Water Resources for expenditure for the administration of this article.

34147. The Department of Water Resources shall report to the Legislature in 1983, and every fifth year thereafter for the life of the program, on the water savings, energy savings, cost effectiveness, other environmental effects, and such other matters relating to the water conservation projects financed pursuant to this article as it deems appropriate. The cost of studies necessary for such reports shall be paid out of the appropriation made pursuant to Section 34146.

Article 4. Agricultural Wastewater Collection

34160. The Legislature hereby finds and declares that the disposal of agricultural wastewater is now and will increasingly become a matter of serious statewide concern. Natural drainage in some areas is inadequate to maintain permanent agricultural productivity on irrigated lands. In order to safeguard the agricultural productivity of soils in such areas and in order to protect the quality of water in groundwater basins and in surface streams, the Legislature declares

that it is the policy of the state to provide financial assistance for collector systems for the safe and efficient disposal of agricultural wastewater from on-farm drainage systems to central wastewater disposal facilities.

34161. The Department of Water Resources may enter into agreements with local public agencies for loans to aid in the construction of collector systems to transport agricultural wastewater to central wastewater disposal facilities. No loan may exceed four hundred thousand dollars (\$400,000), for a collector system, or one million dollars (\$1,000,000) for both a collector system and central wastewater disposal facility. All loan funds shall be repayable, with interest, within 20 years. Interest shall be at a rate equal to the average, as determined by the department, of the net interest cost to the state on the sales of general obligation bonds pursuant to this division. Repayment of the loan principal and interest due thereon shall be deferred for the first five repayment years. Repayment of the deferred principal and interest may, at the option of the public entity, be paid in annual installments during the remainder of the loan repayment period.

34162. As used in this article, the following terms have the following meanings:

(a) "Central wastewater disposal facility" means any of the following facilities that receive agricultural wastewater from the immediate vicinity of the lands where collected:

(1) Evaporation ponds or marshlands.

(2) A desalting facility.

(3) Any facility for the beneficial reuse of agricultural wastewater.

(b) "Collector system" means any pipe, conduit, drain, or canal used to transport agricultural wastewater.

34163. (a) Loans shall be made for collector systems and central wastewater disposal facilities in agricultural areas that are adversely affected by excessively high, brackish water tables and in other areas that require the collection and disposal of saline or degraded water. The loans shall be limited to the construction, establishment, or improvement of such systems and facilities which will serve areas that currently have salt deposits to a degree that agricultural production is demonstrably affected or which will serve areas where the disposal of saline or degraded water is of substantial importance to agricultural operations. No loan may be made for a particular collector system unless the Department of Water Resources finds that the wastewater to be collected can be disposed of without having an adverse effect on any of the waters of this state. Before an agreement may be entered into, the applicant shall have first obtained the approval of the appropriate regional water quality control board for the proposed collector system as to suitability of the central wastewater disposal facility and as to other water quality criteria or requirements, as may be required by law.

(b) Whenever possible, wastewater transported through collector systems shall be put to, or made available for, beneficial reuse, including the creation of marshland wildlife habitat, recreational uses, reuse through desalting operations, or reuse of brackish drain waters as a substitute for freshwater supplies for irrigation of salt-tolerant crops.

34164. The applicant shall agree to proceed expeditiously with, and to complete, the collector system. Any agreement made pursuant to this article may include such other provisions as may be agreed upon by the parties.

34165. A revolving account may be established in the fund for the programs established by this article. Moneys repaid in discharge of a loan shall be deposited in the revolving account and shall be available for reappropriation for additional loans, in the manner provided in Section 34015.

34166. An amount, not to exceed thirty thousand dollars (\$30,000), may be appropriated annually, from funds available pursuant to subdivision (c) of Section 34125, in the manner provided in Section 34015, to the Department of Water Resources for expenditure for the administration of this article.

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(7) "Single family residential unit" means a single home, a single condominium or a single cooperative or community unit so long as the owner of such condominium or unit owns no more than one unit in any single building or complex.

(8) "Tenant" means any person who is obligated to pay any money or other consideration to a rental unit owner or tenant or other person for the use or occupancy of a rental unit.

(9) "Voluntarily vacated rental unit" includes any rental unit in which the vacancy is not the result of an eviction or of a landlord's refusal to renew a housing agreement, periodic tenancy or lease

agreement, other than for nonpayment of rent; a rental unit which is subleased or in which substitution of a tenant occurs, other than in accordance with the terms of an existing fixed term lease, is a voluntarily vacated unit.

SECTION (m) [Severability Provisions.] If any portion, section or clause of this article, or the application thereof to any person or circumstance, shall for any reason be declared unconstitutional or held invalid, the remainder of this article, or the application of such portion, section or clause to other persons or circumstances, shall not be affected thereby.